

# PRELIMINARY ACCRUAL

## State Of New Hampshire Monthly Revenue Focus

Department of Administrative Services

Commissioner Donald S. Hill

June  
FY 2003

### Monthly Revenue

	<u>FY 03</u>	<u>FY 02</u>	<u>Inc/(Dec)</u>
<b>Gen &amp; Educ</b>	<b>\$ 175.5</b>	<b>\$ 138.4</b>	<b>\$ 37.1</b>
<b>Highway</b>	<b>\$ 16.4</b>	<b>\$ 19.6</b>	<b>\$ (3.2)</b>
<b>Fish &amp; Game</b>	<b>\$ 1.6</b>	<b>\$ 1.2</b>	<b>\$ .4</b>

### YTD Revenue

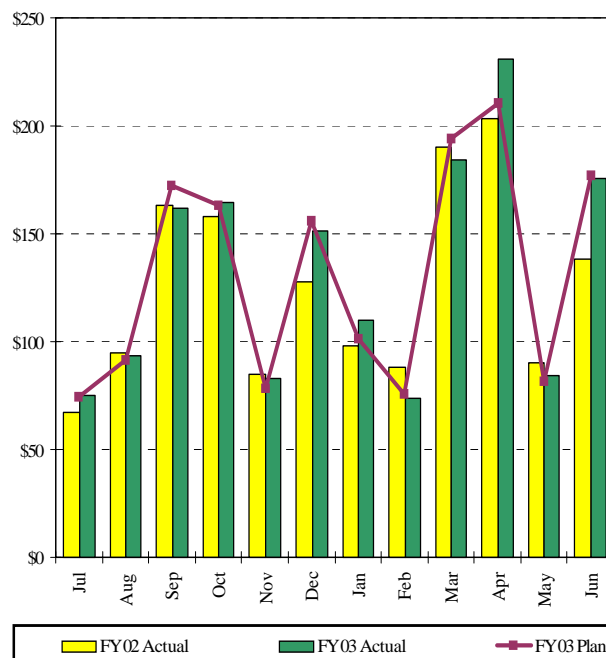
	<u>FY 03</u>	<u>FY 02</u>	<u>Inc/(Dec)</u>
<b>Gen &amp; Educ</b>	<b>\$2,040.5</b>	<b>\$1,957.2</b>	<b>\$ 83.3</b>
<b>Highway</b>	<b>\$ 216.7</b>	<b>\$ 211.7</b>	<b>\$ 5.0</b>
<b>Fish &amp; Game</b>	<b>\$ 8.9</b>	<b>\$ 8.4</b>	<b>\$ .5</b>

### Current Month Analysis

<b>General &amp; Education Funds</b>	<i>FY03 Actuals</i>	<i>FY03 Plan</i>	<i>Actual vs. Plan</i>
Business Profits Tax	\$ 30.7	\$ 43.9	\$ (13.2)
Business Enterprise Tax	32.3	20.1	12.2
Subtotal	63.0	64.0	(1.0)
Meals & Rooms Tax	14.2	16.8	(2.6)
Tobacco Tax	9.6	8.4	1.2
Liquor Sales and Distribution	6.7	8.2	(1.5)
Interest & Dividends Tax	7.9	12.8	(4.9)
Insurance Tax	14.4	13.1	1.3
Communications Tax	5.0	5.8	(0.8)
Real Estate Transfer Tax	10.8	15.2	(4.4)
Estate & Legacy Tax	(7.5)	4.6	(12.1)
Court Fines & Fees	(1.1)	0.9	(2.0)
Securities Revenue	0.9	0.6	0.3
Utility Tax	-	0.5	(0.5)
Board & Care Revenue	1.7	0.9	0.8
Beer Tax	1.2	1.3	(0.1)
Racing Revenue	0.3	0.3	-
Flexible Grant	25.0	-	25.0
Other	7.5	4.9	2.6
Transfers from Sweepstakes	10.2	11.0	(0.8)
Tobacco Settlement	0.6	-	0.6
Utility Property Tax	4.9	5.1	(0.2)
Property Tax Not Retained Locally	-	-	-
Property Tax Retained Locally	-	-	-
Subtotal	175.3	174.4	0.9
Net Medicaid Enhancement Rev	0.2	2.6	(2.4)
Subtotal	175.5	177.0	(1.5)
Other Medicaid Enhancement Rev to Fund Net Appropriations	-	-	-
Total	\$ 175.5	\$ 177.0	\$ (1.5)

Current Month includes June Cash and  
changes in Accounts Receivable

### Monthly Unrestricted Revenue *Excluding State Property Tax-Local*



All funds reported in Millions

## 2 NH Revenue Focus - June FY 2003

The revenue basis in this June 2003 Monthly Revenue Focus represents **PRELIMINARY ACCRUAL** for fiscal 2003 and is unaudited. This report includes 13<sup>th</sup> period activity and estimated accounts receivable. Final accrual results will be available at the conclusion of the audit after year-end accounts receivable and other adjustments are analyzed.

Fiscal 2003 unrestricted revenue collections for the General and Education funds totaled \$2,040.5 million, which exceeded prior year by \$83.3 million and exceeded the original plan by \$10.5 million. The most significant change from the previous June cash revenue report, is the inclusion of an additional \$25 million recorded in the 13<sup>th</sup> accounting period for the Federal Flexible Grant, as a result of the Federal Jobs and Growth Reconciliation Act of 2003.

According to the Act, states receive fiscal relief in two ways: Increasing the Federal Matching Assistance Percentage (FMAP) by 2.95% for the period April 1, 2003 to June 30, 2004; and making two direct payments to the states (known as the Flexible Grant) for the Federal FY 2003 and 2004. New Hampshire processed the first \$25 million (Flexible Grant) and recorded this as unrestricted revenue in Fiscal 2003. The second payment for \$25 million is anticipated to occur October 1, 2003. The increased funding for the FMAP, for the quarter April – June 2003, was recorded as restricted revenue and lapsed to the general fund.

Due to delays in gaining the necessary state and federal approvals, the Department of Health and Human Services (DHHS) still has not processed the remaining 6% hospital tax and the Fiscal 2003 ProShare transactions. The net unrestricted revenue gain from these transactions is estimated to be \$14.1 million, (\$7.6 million from the hospital tax and \$6.5 million from Proshare). These transactions will be posted when the required approvals are secured, which are undeterminable at this time.

Despite additional 13<sup>th</sup> period activity, including preliminary receivable adjustments, **Business Taxes** fell short of plan by \$36.1 million, bringing year to date collection to \$393.5 million. Additional shortfalls were also seen in the **Meals and Rooms Tax** (\$18.2 million below plan) and **Interest and Dividends** (\$22.9 million below plan).

Strong performers, including Tobacco Tax, Insurance Tax and the Real Estate Transfer Tax (RET), helped minimize these shortfalls. The **Tobacco Tax** was \$9.1 million above estimates, **Insurance** was \$19.2 million and **RET** was \$15.7 million.

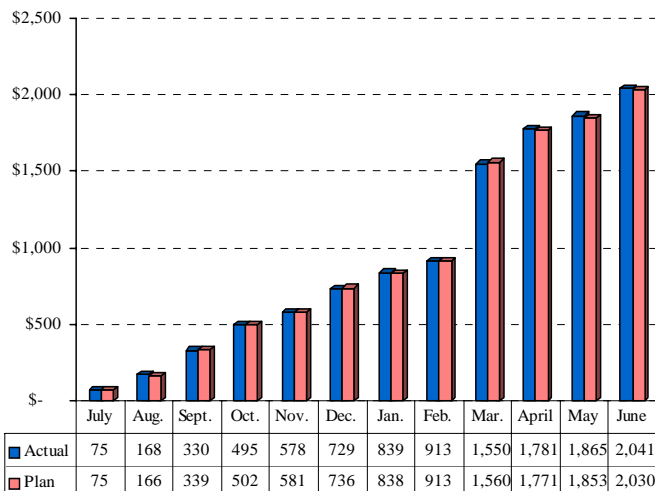
### Comparison to FY 02

General & Education Funds	Monthly			Year-to-Date			% Inc/(Dec)
	FY03 Actuals	FY02 Actuals	Inc/(Dec)	FY03 Actuals	FY02 Actuals	Inc/(Dec)	
Business Profits Tax	\$ 30.7	\$ 23.3	\$ 7.4	\$ 178.2	\$ 161.2	\$ 17.0	10.5%
Business Enterprise Tax	32.3	26.3	6.0	215.3	222.2	(6.9)	-3.1%
Subtotal	63.0	49.6	13.4	393.5	383.4	10.1	2.6%
Meals & Rooms Tax	14.2	14.4	(0.2)	175.2	170.6	4.6	2.7%
Tobacco Tax	9.6	6.6	3.0	94.1	84.3	9.8	11.6%
Liquor Sales and Distribution	6.7	9.0	(2.3)	99.0	96.2	2.8	2.9%
Interest & Dividends Tax	7.9	8.8	(0.9)	56.1	70.3	(14.2)	-20.2%
Insurance Tax	14.4	9.5	4.9	82.2	76.1	6.1	8.0%
Communications Tax	5.0	7.8	(2.8)	63.2	64.7	(1.5)	-2.3%
Real Estate Transfer Tax	10.8	11.7	(0.9)	118.2	99.5	18.7	18.8%
Estate & Legacy Tax	(7.5)	3.7	(11.2)	55.5	57.0	(1.5)	-2.6%
Court Fines & Fees	(1.1)	(1.0)	(0.1)	22.1	23.2	(1.1)	-4.7%
Securities Revenue	0.9	0.3	0.6	25.8	26.1	(0.3)	-1.1%
Utility Tax	-	(0.1)	0.1	5.6	5.5	0.1	1.8%
Board & Care Revenue	1.7	1.4	0.3	11.2	10.7	0.5	4.7%
Beer Tax	1.2	1.2	-	12.3	12.2	0.1	0.8%
Racing Revenue	0.3	0.4	(0.1)	4.0	4.2	(0.2)	-4.8%
Flexible Grant	25.0	-	25.0	25.0	-	25.0	-
Other	7.5	4.2	3.3	52.6	45.6	7.0	15.4%
Transfers from Sweepstakes	10.2	8.8	1.4	66.0	66.1	(0.1)	-0.2%
Tobacco Settlement	0.6	-	0.6	45.9	45.7	0.2	0.4%
Utility Property Tax	4.9	4.4	0.5	18.8	18.2	0.6	3.3%
Property Tax Not Retained Locally	-	-	-	32.7	29.0	3.7	12.8%
Property Tax Retained Locally	-	-	-	453.0	454.1	(1.1)	-0.2%
Subtotal	175.3	140.7	34.6	1,912.0	1,842.7	69.3	3.8%
Net Medicaid Enhancement Rev	0.2	(2.3)	2.5	111.9	98.2	13.7	14.0%
Subtotal	175.5	138.4	37.1	2,023.9	1,940.9	83.0	4.3%
Other Medicaid Enhancement Rev to Fund Net Appropriations	-	-	-	16.6	16.3	0.3	1.8%
Total	\$ 175.5	\$ 138.4	\$ 37.1	\$ 2,040.5	\$ 1,957.2	\$ 83.3	4.3%

# Year-to-Date Analysis

General & Education Funds	General		Education		Total		
	Actual	Plan	Actual	Plan	Actual	Plan	Actual vs. Plan
Business Profits Tax	\$ 141.1	\$ 231.0	\$ 37.1	\$ 36.6	\$ 178.2	\$ 267.6	\$ (89.4)
Business Enterprise Tax	93.9	56.5	121.4	105.5	215.3	162.0	53.3
Subtotal	235.0	287.5	158.5	142.1	393.5	429.6	(36.1)
Meals & Rooms Tax	168.5	185.0	6.7	8.4	175.2	193.4	(18.2)
Tobacco Tax	67.1	60.5	27.0	24.5	94.1	85.0	9.1
Liquor Sales and Distribution	99.0	96.5	-	-	99.0	96.5	2.5
Interest & Dividends Tax	56.1	79.0	-	-	56.1	79.0	(22.9)
Insurance Tax	82.2	63.0	-	-	82.2	63.0	19.2
Communications Tax	63.2	70.9	-	-	63.2	70.9	(7.7)
Real Estate Transfer Tax	78.8	68.7	39.4	33.8	118.2	102.5	15.7
Estate & Legacy Tax	55.5	54.8	-	-	55.5	54.8	0.7
Court Fines & Fees	22.1	24.4	-	-	22.1	24.4	(2.3)
Securities Revenue	25.8	28.5	-	-	25.8	28.5	(2.7)
Utility Tax	5.6	5.5	-	-	5.6	5.5	0.1
Board & Care Revenue	11.2	10.8	-	-	11.2	10.8	0.4
Beer Tax	12.3	12.2	-	-	12.3	12.2	0.1
Racing Revenue	4.0	3.9	-	-	4.0	3.9	0.1
Flexible Grant	25.0	-	-	-	25.0	-	25.0
Other	52.6	46.0	-	-	52.6	46.0	6.6
Transfers from Sweepstakes	-	-	66.0	66.0	66.0	66.0	-
Tobacco Settlement	5.9	4.4	40.0	40.0	45.9	44.4	1.5
Utility Property Tax	-	-	18.8	20.5	18.8	20.5	(1.7)
Property Tax Not Retained Locally	-	-	32.7	32.7	32.7	32.7	-
Property Tax Retained Locally	-	-	453.0	453.0	453.0	453.0	-
Subtotal	1,069.9	1,101.6	842.1	821.0	1,912.0	1,922.6	(10.6)
Net Medicaid Enhancement Rev	111.9	94.0	-	-	111.9	94.0	17.9
Subtotal	1,181.8	1,195.6	842.1	821.0	2,023.9	2,016.6	7.3
Other Medicaid Enhancement Rev to Fund Net Appropriations	16.6	13.4	-	-	16.6	13.4	3.2
Total	\$ 1,198.4	\$ 1,209.0	\$ 842.1	\$ 821.0	\$ 2,040.5	\$ 2,030.0	\$ 10.5

## Cumulative Unrestricted Revenue



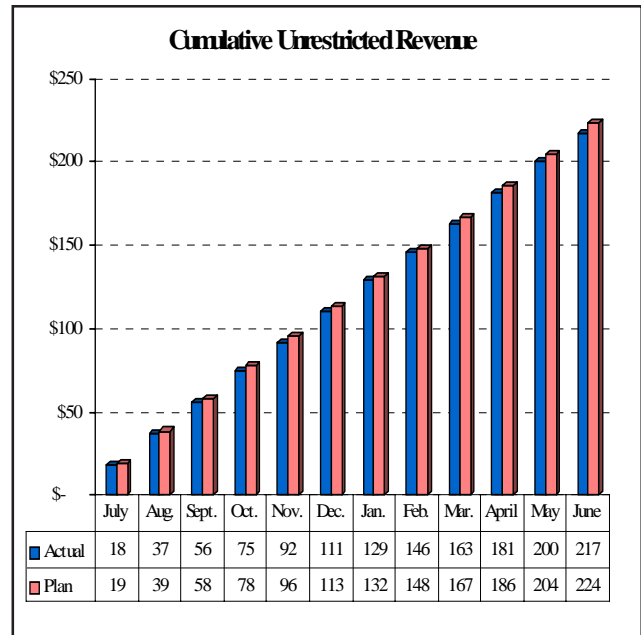
## Education Trust Fund Statement of Activity - FY 2003 July 1, 2002 to June 30, 2003

Description	In Millions
Beginning Cash Balance	\$ (18.5)
Unrestricted Revenue - See above	842.1
Transfers from General Fund Appropriations	83.4
Expenditures	
Education Grants & Adm Costs	(899.0)
Ending Cash Balance	\$ 8.0

## Year-to-Date Analysis

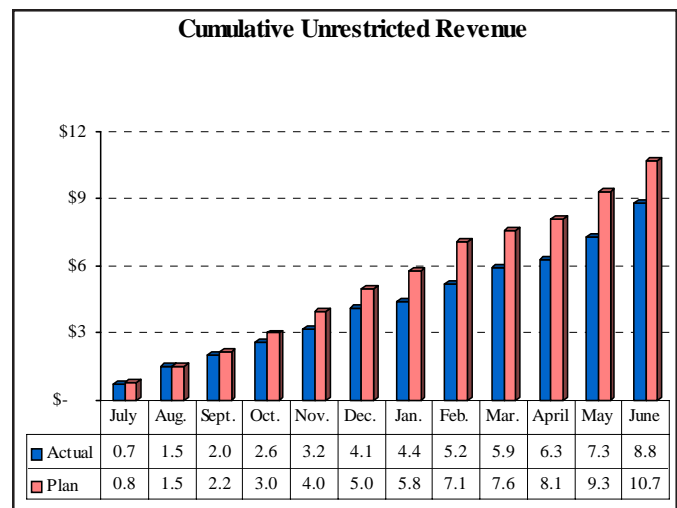
### Highway Fund

Revenue Category	FY 03 Actuals	FY 03 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 124.2	\$ 128.0	\$ (3.8)
Miscellaneous	4.7	8.9	(4.2)
<b>Motor Vehicle Fees</b>			
MV Registrations	62.3	61.3	1.0
MV Operators	12.9	14.6	(1.7)
Inspection Station Fees	2.3	2.3	-
MV Miscellaneous Fees	4.5	4.9	(0.4)
Certificate of Title	5.7	3.5	2.2
<b>Total Fees</b>	<b>87.7</b>	<b>86.6</b>	<b>1.1</b>
<b>Total</b>	<b>\$ 216.6</b>	<b>\$ 223.5</b>	<b>\$ (6.9)</b>



### Fish & Game Fund

Revenue Category	FY 03 Actuals	FY 03 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 7.8	\$ 9.1	\$ (1.3)
Fines and Penalties	0.1	0.1	-
Miscellaneous Sales	0.4	0.6	(0.2)
Federal Recoveries Indirect Costs	0.5	0.9	(0.4)
<b>Total</b>	<b>\$ 8.8</b>	<b>\$ 10.7</b>	<b>\$ (1.9)</b>



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